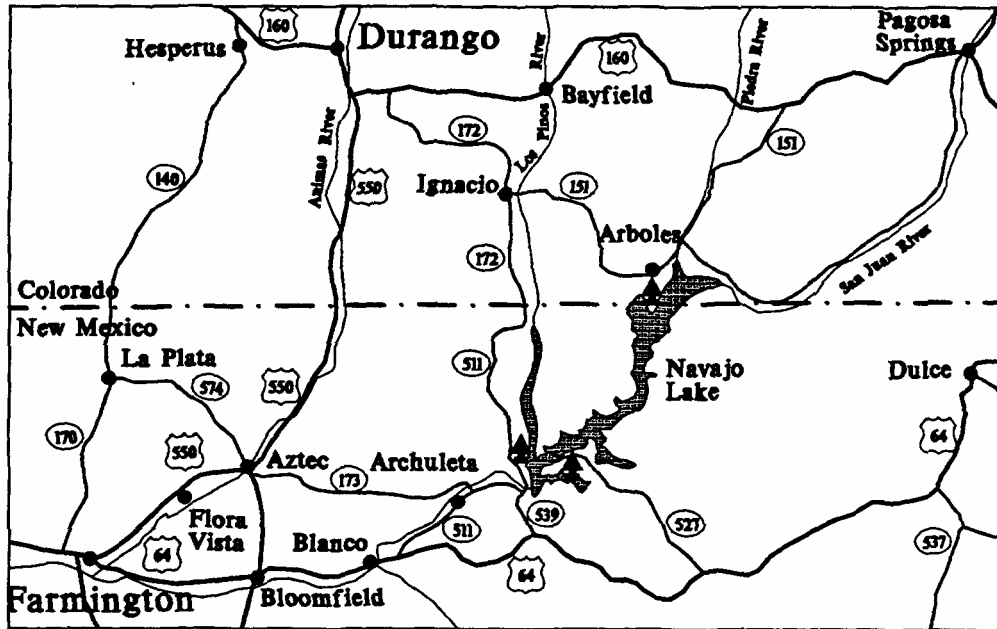


CHAPTER 1

INTRODUCTION: PURPOSE AND NEED

INTRODUCTION

The Bureau of Reclamation (Reclamation) prepared this Environmental Assessment (EA) to comply with the National Environmental Policy Act of 1969, as amended; the Endangered Species Act of 1973 (ESA), as amended; and other applicable laws, regulations, and Department of Interior policies. This EA also constitutes the Biological Assessment (BA) for consultation with the US Fish and Wildlife Service (USFWS) in accordance with the ESA. The EA has also been prepared for comments under the National Historic Preservation Act. Following consideration of public comments on the draft EA, Reclamation will determine whether or not an Environmental Impact Statement is needed.



Map 1-1: Regional Location

PURPOSE AND NEED FOR ACTION

Reclamation has a policy to develop and implement Resource Management Plans (RMP) for all of the land and water areas under its jurisdiction. The Navajo Unit (Navajo Dam and Reservoir) of the Colorado River Storage Project (CRSP) was given a high priority for an RMP due to increasing and conflicting demands on the area's resources, and the complexity of resource management issues at the reservoir. The RMP is needed to guide the long-term management of Reclamation lands and resources associated with the Navajo Unit, in a manner which protects Reclamation project purposes, meets the needs of the nation and the public, protects and/or improves area resources, complies with applicable laws and regulations, and coordinates with other entities' management direction.

BACKGROUND

The Navajo Unit is located in northwest New Mexico and southwest Colorado (See Map 1.1). The dam is on the San Juan River in New Mexico, about 50 miles east of Farmington, New Mexico. The reservoir extends about 35 miles up the San Juan River from the dam, including about 7 miles into Colorado. About 85 percent of the reservoir area is in New Mexico and 15 percent is in Colorado. The Colorado portion of the reservoir area lies within the boundaries of the Southern Ute Indian Tribe's (SUIT) reservation. The reservoir area is contained within two state parks: New Mexico's Navajo Lake State Park and Colorado's Navajo State Park.

The reservoir area covers about 38,000 acres which includes the reservoir basin and adjacent and nearby lands under Reclamation's jurisdiction. At the normal reservoir elevation of 6,085 feet, the reservoir has a water surface area of about 15,600 acres and contains about 1,709,000 acre-feet of water. Outside of the reservoir basin there are about 22,400 acres of land under Reclamation jurisdiction.

The Navajo Unit is one of four initial units of the CRSP authorized by the Colorado River Storage Project Act of April 11, 1956 (Ch. 70 Stat.105). The purposes of the CRSP from Section 1 of the Act include:

- Regulating the flow of the Colorado River [and its tributaries, including the San Juan River]
- Storing water for beneficial consumptive use in the Upper Colorado River Basin
- Reclamation of arid and semiarid land
- Flood control, and
- Generation of hydroelectric power, incident to the above purposes.

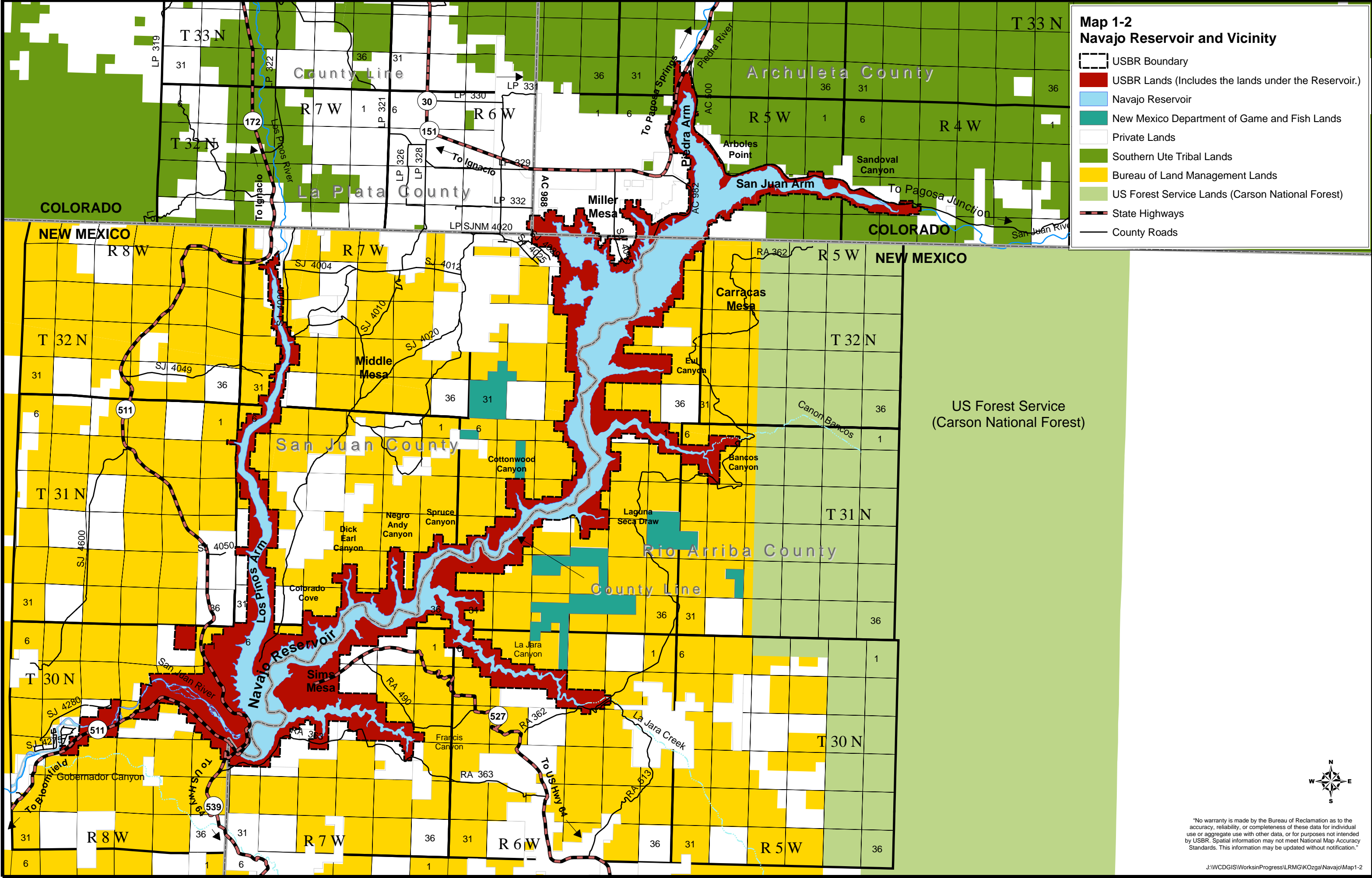
Section 8 of that Act, directed the Secretary of the Interior to investigate, plan, construct, operate, and maintain:

- Public recreational facilities on project lands to conserve the scenery, the natural, historic and archeological objects, and the wildlife on said lands and to provide for public use and enjoyment of the same and the water areas created by these projects by such means as are consistent with the primary purposes of said projects, and
- Facilities to mitigate losses of, and improve conditions for, the propagation of fish and wildlife.

The Secretary was further authorized to obtain the necessary lands for the Section 8 facilities and to convey them to other governmental agencies by such means and upon such terms and conditions as would best promote their development and operation in the public interest.

SCOPE

The scope for this plan is land and resource management and use within the Navajo Reservoir Area. The Navajo Reservoir Area (reservoir area) is defined as all of the lands and land interests withdrawn or acquired by Reclamation for construction, operation and maintenance of the Navajo Unit and retained under Reclamation's jurisdiction, including several parcels below the dam along the San Juan River, as shown on Map 1.2. However, we may also identify opportunities for coordinated resource management actions with other entities within the reservoir area's watershed.



Map 1-2
Navajo Reservoir and Vicinity

- USBR Boundary
- USBR Lands (Includes the lands under the Reservoir.)
- Navajo Reservoir
- New Mexico Department of Game and Fish Lands
- Private Lands
- Southern Ute Tribal Lands
- Bureau of Land Management Lands
- US Forest Service Lands (Carson National Forest)
- State Highways
- County Roads



"No warranty is made by the Bureau of Reclamation as to the accuracy, reliability, or completeness of these data for individual use or aggregate use with other data, or for purposes not intended by USBR. Spatial information may not meet National Map Accuracy Standards. This information may be updated without notification."

We will assess the programmatic management of the reservoir area and its resources while providing for the operation and maintenance of the Navajo Unit in accordance with applicable laws, regulations, and agreements, particularly, Reclamation law and river basin compacts and international treaties. At Reclamation's discretion, resource management guidelines and decisions from other agencies' management plans for lands within or adjacent to the reservoir area may be incorporated into this RMP. The decisions on reservoir operations from the Navajo Reservoir Operations Environmental Impact Statement (EIS) and Record of Decision (ROD) will be incorporated into the RMP and all resource management and land use within the reservoir area will be subject to the reservoir operations decisions.

Additional major changes in reservoir operations or water allocations are not within the scope of this management plan. The decommissioning of the Navajo Unit and/or breaching of the dam are also not within the scope of this management plan.

ADMINISTRATIVE FRAMEWORK

The framework for management of resources and land uses within the reservoir area is complex. There are several federal and state entities with varying levels of administrative and management jurisdiction. Also, there are valid existing rights within the reservoir area which may constrain Reclamation's management of the area.

Reclamation has administrative jurisdiction of the reservoir area pursuant to Reclamation law. It withdrew or acquired the reservoir area for CRSP purposes and the Navajo Unit. Reclamation operates the reservoir for project purposes and has overall resource management and project operation and maintenance responsibilities. Reclamation's management authority includes the ability to authorize non-project uses of its lands and resources in accordance with applicable laws and regulations. In its reservoir operations and resource management, Reclamation must comply with the provisions of an international treaty with Mexico, the Colorado River Basin Compact, and other applicable laws, regulations, policies, and agreements (See Appendix B). Reclamation may also contract with other entities for management of its lands and related resources.

Other federal, state, and tribal entities manage or regulate certain resources or uses within the reservoir area in accordance with agreements with Reclamation and/or applicable laws and regulations. These entities include, but are not limited to:

- Bureau of Land Management, Farmington Field Office
- New Mexico
 - State Parks Division
 - Department of Game and Fish
 - Oil Conservation Division
 - Environmental Department, Surface Water Quality Control Bureau
 - State Engineer (Water Rights)
- Colorado
 - Division of Parks and Outdoor Recreation
 - Division of Wildlife
 - Oil and Gas Conservation Commission
 - Department of Public Health and Environment, Water Quality Control Division
 - State Engineer (Water Rights)

- Southern Ute Indian Tribe

The BLM's Farmington Field Office (FFO) manages federal leasable and saleable minerals and livestock grazing on the New Mexico portion of the reservoir area in coordination with Reclamation. This management is in accordance with several agreements between Reclamation and BLM, including a 1983 Interagency Agreement, a 1967 agreement (#14-06-400-4614) regarding management of minerals and associated rights-of-way, and a 1990 Memorandum of Agreement (# 0-LM-48-00003) regarding livestock grazing. This management is also in accordance with, applicable laws, regulations, the Farmington RMP and various activity plans.

The New Mexico State Parks Division (NMSPD) manages recreation and certain other resources at Navajo Lake State Park. Navajo Lake State Park is the New Mexico portion of the reservoir area. This management is in accordance with a 1972 agreement (No. 14-06-400-5745) between Reclamation and the State of New Mexico. Reclamation and NMSPD have agreed to continue the current agreement until a new agreement is negotiated; negotiations for a new agreement are currently being conducted. In January 2003, NMSPD approved a 5-year general management plan for the State Park. In September 2003, NMSPD and Reclamation entered into a state-wide Grant Agreement (No. 03-FG-40-2076) for Recreation, Handicap Access, and Fish and Wildlife Enhancement Programs at Reclamation areas administered by NMSPD, including Navajo Reservoir. That agreement may be used to help implement the park's general management plan. NMSPD enforces New Mexico laws and regulations within their portion of the reservoir area.

The Colorado Division of Parks and Outdoor Recreation (CDPOR) manages recreation and certain other resources at Navajo State Park. Navajo State Park is the Colorado portion of the reservoir area. This management is in accordance with a 1994 Memorandum of Agreement (# 3-LM-40-01000) between Reclamation and the State of Colorado. CDPOR approved a general management plan for the State Park in 1990. That plan was subsequently modified through a cooperative agreement (# 4-FC-40-16180) for rehabilitation of the recreation facilities at the park; the rehabilitation was completed in 2003. CDPOR enforces Colorado laws and regulations within their portion of the reservoir area.

The state wildlife agencies, the New Mexico Department of Game and Fish and the Colorado Division of Wildlife, manage the wildlife and fisheries of the reservoir area in accordance with their respective state laws and regulations. They also enforce their respective hunting and fishing regulations within the reservoir area.

The state oil and gas regulatory agencies, the New Mexico Oil Conservation Division (NMOCD) and the Colorado Oil and Gas Conservation Commission (COGCC), regulate the development of oil and gas resources within their respective states. They develop and enforce the state regulations for oil and gas development and resource protection related to such development, including well spacing. These agencies also coordinate state oil/gas development requirements with federal requirements. In 1991, the NMOCD, BLM, and U.S. Forest Service entered into a cooperative agreement to protect surface resources while allowing for development of energy resources in the San Juan Basin, New Mexico.

That agreement listed specific terms and conditions to be attached to oil/gas development activities within the San Juan Basin in New Mexico.

The state water quality control agencies, the New Mexico Environmental Department, Surface Water Quality Control Bureau and the Colorado Department of Public Health and Environment, Water Quality Control Division, develop and enforce the respective state standards for water quality.

The State Engineer for the respective states supervises and monitors the water rights and their use within each state.

Some of the lands within the Colorado portion of the reservoir area are former Southern Ute Indian Tribe (SUIT) lands that were transferred to the United States for the Navajo Unit, in exchange for public lands elsewhere, through the Act of October 15, 1962 (P.L. 87-828). These lands may not be used for public recreational facilities without approval of the Southern Ute Tribal Council. Also, the SUIT retained the minerals therein and the right to develop them in a manner that does not impair the Navajo Unit, as prescribed by the Secretary of the Interior.

VALID EXISTING RIGHTS

Reclamation's lands and land interests within the reservoir area are subject to various valid existing rights (VERs) (See Appendix C). These VERs include federal, Indian, state, and private mineral rights; livestock trailing and watering rights; rights-of-way; and water rights. These rights and their exercise or development are controlled by various federal and state laws and regulations, and agreements. Some of these rights were subordinated to Reclamation's rights and interests or were conditioned to protect Reclamation's interests; others were not.

RELATED ACTIONS AND ACTIVITIES

There are several actions and activities that relate to and/or may affect Reclamation's resource management at Navajo. They include, but are not necessarily limited to:

- Navajo Reservoir Operations
- The San Juan River Basin Recovery Implementation Program (SJRBRIP)
- BLM, Farmington Field Office RMP (as revised and amended)
- Animas-La Plata Project
- Navajo Indian Irrigation Project (NIIP)
- Navajo Lake State Park Management Plan (NM)
- Navajo State Park General Management Plan (CO)
- Pine River Wetland Mitigation Site (NM)
- Southern Ute Indian Tribe (SUIT) Natural Resource Management Plan
- SUIT Oil/Gas Management EIS/ROD
- Navajo State Park (CO) Recreation Rehabilitation and Management Agreements.
- Grant Agreement for Recreation, Handicap Access, and Fish and Wildlife Enhancement Programs at Bureau of Reclamation Projects (NM)
- NM Department of Game and Fish San Juan Trout Waters Management Plan
- General Plan for Fish and Wildlife Conservation and Management, Navajo Unit, Colorado River Storage Project (NM)

Navajo Reservoir Operations

In October 1999, Reclamation issued its Notice of Intent to prepare the Navajo Reservoir Operations EIS. Reclamation proposes to operate Navajo Dam and Reservoir to implement Endangered Species Act related flow recommendations (or a reasonable alternative) in a manner that allows for current and certain future water depletions to proceed (USBR 2002). That EIS addresses the impacts of operating the reservoir to meet the SJRBRIP flow recommendations. A draft EIS was issued in September 2002; the final EIS and ROD should be issued sometime in 2005. The decisions from that EIS will be incorporated into the Navajo Reservoir RMP without further review.

San Juan River Basin Recovery Implementation Program

The purpose of the SJRBRIP is to protect and recover endangered fish in the San Juan River basin while water development proceeds in compliance with all applicable Federal and State laws. The endangered fish include the Colorado pikeminnow (*Ptychocheilus lucius*) and the razorback sucker (*Xyrauchen texanus*). The actions taken under this program should also benefit other native fishes in the San Juan River and prevent them from becoming endangered. (<http://southwest.fws.gov/sjrip/>) Reclamation is, and will continue to be, a primary cooperator in this recovery effort.

BLM, Farmington Field Office RMP

The Farmington Field Office (FFO) of the BLM manages public lands and resources in the vicinity of Navajo Reservoir in accordance with its 2003 Farmington RMP. That RMP provides guidance for the management of public lands and resources on approximately 1.4 million acres of public domain surface and 3 million acres of subsurface minerals in northwestern New Mexico. The Farmington RMP revised the 1988 RMP, as previously amended, with regard to oil and gas leasing and development, land ownership adjustments, off-highway vehicle designation, specially designated areas, and coal leasing suitability. Decisions considered still valid from the 1988 RMP and subsequent amendments were carried forward as part of the 2003 revision and are listed in Appendix A of the FFO's 2003 Proposed Farmington RMP/Final EIS. (BLM, 2003b)

The FFO manages federal leasable and saleable minerals and livestock grazing within the New Mexico portion of the reservoir area. This management is in accordance with several agreements between USBR and BLM, the Farmington RMP, and applicable laws, regulations, and policies. Farmington RMP decisions related to leasable and saleable minerals, and livestock grazing are applicable to USBR lands pursuant to the management agreements. Reclamation may, at its discretion, adopt additional management guidelines from the Farmington RMP when to do so would facilitate resource management across administrative boundaries.

Animas-La Plata Project

In 2000, Reclamation issued its ROD for the Animas-La Plata Project (ALP)/Colorado Ute Indian Water Settlement FSEIS. In that ROD, Reclamation committed to operate Navajo Reservoir to mimic the natural hydrograph of the San Juan River to benefit endangered fishes and their critical habitat (USBR 2000c). Reservoir operations to meet those commitments are being addressed in the Navajo Reservoir Operations EIS.

Navajo Indian Irrigation Project (NIIP)

Navajo Reservoir is the primary storage facility for the NIIP and is operated to meet NIIP project purposes. P.L. 87-43 entitled the Navajo Nation to enough water to irrigate approximately 110,630 acres and identified an annual diversion of 508,000 acre-feet of water. However, a later reconfiguration of the project suggests that only 370,000 acre-feet of water may be necessary to meet NIIP project needs. Since NIIP development is only about 70 percent complete, the full NIIP water allocation is not currently utilized.

The Navajo Nation's full water rights within the San Juan River basin have not been quantified and adjudicated. These water right claims are addressed in a proposed water rights settlement that was approved by the New Mexico Interstate Stream Commission and the Navajo Nation and may be introduced to Congress in 2005 for authorization (USBR, 2003b).

Navajo Lake State Park Management Plan 2003-2007

In January 2003, the NMSPD approved a 5-year management plan for Navajo Lake State Park. This plan addresses recreation and some resource management within the New Mexico portion of the reservoir area. This plan includes development and management actions and provisions for resource protection. Reclamation will incorporate this plan into its RMP to the extent it is not incompatible with project purposes.

Navajo State Park General Management Plan

CDPORA completed a draft Management Plan for Navajo State Recreation Area in 1989. The plan included recreation facilities development, management directions and provisions for resource protection within Navajo State Park, Colorado. This plan was substantially modified by the USBR/CDPORA Recreation Rehabilitation Program. A major recreation rehabilitation of this area was completed in 2003. However, some of the issues, concerns, and proposals are still valid. Reclamation will incorporate this plan into its RMP to the extent it is not incompatible with project purposes.

Pine River Wetland Mitigation Site

In 2001, Reclamation entered into an agreement with the Hammond Conservancy District for the construction and maintenance of a wetland mitigation site on Reclamation lands at the upper end of the Los Pinos arm of the reservoir. This site was for partial mitigation for the Hammond Salinity Unit pursuant to the Colorado River Basin Salinity Control Act. Management of this mitigation area includes enhancement and protection of riparian resources, and restrictions on livestock grazing and public use. The decisions and management focus for this mitigation area will be included and protected in the Navajo Reservoir RMP.

Southern Ute Indian Tribe Natural Resources Management Plan

In 2000, the SUIT completed an update of its natural resources management plan. The plan addresses use, development, and protection of resources on tribal lands within the SUIT reservation. Resources and management addressed in the plan include soil, water, cultural resources, riparian, oil/gas development, riparian areas, fish and wildlife, livestock grazing, and threatened and endangered species. The Lower San Juan, and Piedra management units are adjacent to Navajo Reservoir and the Los Pinos management unit includes the Los Pinos River to the Colorado-New Mexico line just

above Navajo Reservoir. Implementation of this plan and coordination with Reclamation could help meet similar resource management objectives in the Navajo Reservoir RMP.

SUIT Oil/Gas Management EIS/ROD

In October 2002, the BLM, BIA, and SUIT issued the ROD for Tribal oil and gas development within the San Juan Basin on the Southern Ute Indian Reservation. This decision is for the management of Tribal mineral and surface estate associated with oil and gas development, including enhanced coalbed methane, in accordance with the FEIS' Alternative 3. This decision established a comprehensive oil/gas development strategy with measures to protect the environment. The area west of Navajo Reservoir in the vicinity of Sambrito Creek and Arboles is included within this decision. Applicable aspects of this decision combined with additional measures to protect Reclamation's interests, could be applied to potential oil and gas development on the former SUIT lands within the reservoir area.

Navajo State Park (CO) Recreation Rehabilitation and Management Agreements

In 1994 Reclamation and CDPOR entered into agreements for the rehabilitation of recreation facilities and the management of recreation activities at five Colorado reservoir areas, including Navajo. In 2003, Reclamation and CDPOR completed a major rehabilitation of recreation facilities at Navajo State Park. Applicable development and management requirements from these agreements will be included in the Navajo Reservoir RMP.

Grant Agreement for Recreation, Handicap Access, and Fish and Wildlife Enhancement Programs at Bureau of Reclamation Projects (NM)

In September 2003, NMSPD and Reclamation entered into a state-wide Grant Agreement (No. 03-FG-40-2076) that provides cost-sharing for recreation, handicap access, and fish and wildlife enhancement programs at Reclamation projects administered by NMSPD, including Navajo Reservoir. That agreement can be used to help implement NMSPD's management plan for Navajo Lake State Park.

New Mexico Game and Fish San Juan Trout Waters Management Plan

In 2004, the New Mexico Department of Game and Fish (NMDGF) approved a management plan for the quality waters section of the trout fishery below Navajo Dam. That plan calls for NMDGF and Reclamation to work together to manage the quality of that fishery and the associated recreational experience. Certain aspects of that plan are consistent with actions in Reclamation's proposed RMP.

General Plan for Fish and Wildlife Conservation and Management (NM)

The General Plan was developed for the New Mexico portion of the reservoir area and became effective in 1963. The plan was amended in 1990 to designate the Miller Mesa Waterfowl Management Area as general project lands with a management focus of upland wildlife, bald eagles, and recreation. There currently is no corresponding General Plan for the Colorado portion of the reservoir area.